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Federal Communications Commission Washington, D.C.

January 4, 2005

The Honorable Conrad Burns United States Senate 187 Dirksen Senate Office Building Washington, D.C. 20510

Dear Senator Burns:

Thank you for your letter dated December 1, 2004, regarding the Air-Ground and Airborne Cellular rulemaking proceedings (WT Docket Nos. 03-103 and 04-435). In your letter, you express support for reasonably-priced broadband voice and data services for the traveling public.

On December 15, 2004, the Commission adopted an Order that reflects a flexible approach for licensing the 4 MHz of spectrum in the 800 MHz band currently dedicated to commercial air-ground service. Rather than choosing a particular business plan for this spectrum, the Commission decided to auction new licenses in three possible band plan configurations, where the ultimate band configuration will be determined based on the results of an auction. To promote competition, and to ensure maximum use of the frequency band for air-ground services, the Commission imposed an eligibility limitation to prevent a single entity from holding new licenses for all 4 MHz of air-ground spectrum. The Commission believes that this action will help bring broadband services to the traveling public onboard aircraft and lead to greater technical, economic, and marketplace efficiency for this spectrum. The Commission also decided not to authorize ancillary services in the band.

In a companion Order, the Commission has initiated a rulemaking proceeding that seeks public comment as to whether certain wireless devices could be used onboard airborne aircraft without causing interference to ground-based cellular systems. In particular, the Commission has proposed to relax its ban on the airborne use of cellular telephones, so long as an onboard "pico cell" controls the power level of wireless handsets. The Order notes that the Federal Aviation Administration ("FAA") also restricts the use of wireless devices on aircraft and is currently evaluating the potential impact of such devices on aircraft communications and navigation systems. As a result, the Commission's proposals would not be implemented unless the FAA relaxes its restrictions on the airborne use of wireless devices.

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Attached are the two press releases by the Commission that describe the above-mentioned Orders. I appreciate your interest in this matter. Please do not hesitate to contact me if you have additional questions.

Sincerely,

Michael K. Powell

Enclosures

United States Senate

WASHINGTON, DC 20510-2603 (202) 224-2644

December 1, 2004

The Honorable Michael Powell Chairman Federal Communications Commission 445 12th Street, SW Washington, D.C. 20554

RE: Rulemaking 03-103 Concerning Air-to-Ground Spectrum

Dear Chairman Powell:

I am writing this letter on the above-referenced rulemaking to revise the rules for the spectrum allocated for air-to-ground communications for commercial airlines with the goal of revitalizing the communications services available to the many millions of Americans who fly on our nation's airlines.

I support this effort and want to urge you to adopt rules that facilitate alternatives to the existing high-cost seatback phones still available on some airlines. Passengers on commercial airliners anxiously await the opportunity to use their own phones, laptops and PDA's during flight, and need a new generation of on-board broadband voice and data systems to make this possible.

In order to be certain that the airlines and their passengers get the best array of voice and data services at the lowest possible prices, I encourage you to formulate a policy that promotes competition in air-ground services. I understand that AirCell Inc. and Boeing Corp. jointly have proposed a system that would permit the sharing of the available air-ground spectrum to allow for two licensees and avoid the creation of a monopoly in these services.

The public interest requires that competition in communications services be maximized and that we take all steps to avoid the development of a monopoly that could saddle consumers with the type of high prices and limited innovation we have seen with the existing phone service on our airlines. Accordingly, I urge you to ensure we have competition in air-to-ground services.

Sincerely,

Conrad Burns

United States Senator

cc: Commissioner Abernathy
Commissioner Martin
Commissioner Copps
Commissioner Adelstein

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